

WASHINGTON D.C. – House Committee on Oversight and Government Reform Ranking Member Darrell Issa (R-CA) called for a newfound commitment to address waste, fraud, abuse and mismanagement in the federal bureaucracy at today's White House "Fiscal Responsibility Summit." Issa participated in the "Defense Contracting and Procurement" breakout session moderated by Homeland Security Secretary Janet Napolitano, Deputy Secretary of State Jack Lew, and White House Chief of Staff Rahm Emanuel.

"Fiscal responsibility must include effective and bipartisan oversight of all Federal spending including the \$800 billion stimulus, the Wall Street bailout, and any other new spending," Issa said. "The President's promise to create unprecedented levels of transparency and to eliminate wasteful spending must not be eclipsed by partisanship in Congress that excludes Republicans."

Late last week, Congressman Issa sent a letter to the Inspectors General of federal agencies receiving funds from the 'American Recovery and Reinvestment Act' calling on them to put "proactive measures in place to ensure these billions do not fall victim to programmatic failures and bureaucratic mishaps."

“Any way forward must address the inefficient way in which the federal government administers and manages taxpayer dollars,” he cautioned. “For far too long, the bureaucracy has been infected with a mentality that ignores waste, fraud, abuse and mismanagement. Federal agencies are being asked to absorb an unprecedented level of new funding and there is no way we can achieve fiscal solvency if we continue to look the other way while hundreds of billions of taxpayer dollars go unaccounted for and wasted.”

A text of the letter sent to each department Inspector General is provided below:

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act into law. This law allocates nearly \$800 billion to fund government run programs that promise to put Americans to work and stimulate the economy. A sizable portion of this money has been allocated to the U.S. Department of Agriculture. Due to the accelerated timeline for disbursement, however, we are concerned the USDA may not be prepared to exact the necessary oversight measures to ensure fiscal responsibility.

Sudden influxes of funds outside the normal appropriations process have traditionally caused programmatic challenges within agencies. If the Troubled Asset Relief Program ("TARP") is any indication, unchecked efforts to rapidly spend billions of dollars involve significant risks of waste, fraud, and abuse, and raise serious questions about the appropriate distribution of taxpayer dollars. With the TARP, there was never a clear idea as to the purpose of the program, how the money was to be spent, and whether American households would actually benefit from the unprecedented spending. Six months later, Americans have been saddled with enormous debt with nothing to show for it. Proper oversight at the inception of the program would have prevented this.

The Inspector General Community can play a critical role in preventing this from happening again. According to the Inspectors General Act, every Inspector General is charged with promoting economy, efficiency, and effectiveness in the administration of, and preventing and detecting fraud and abuse in, the programs and operations of their respective departments and agencies. Inspectors General can fulfill this duty in several ways. The most effective method, however, is to conduct thorough assessments of programs and initiatives prior to funding, and to perform continuous oversight throughout the life of a project. In so doing, agencies can maximize efficiency and prevent waste, fraud, and abuse at the outset.

I am aware that Inspectors General traditionally conduct audits of waste, fraud, and abuse after the fact. Due to the unprecedented spending involved, however, this cannot be the way ahead. Unlike with the TARP, we should have a clear path toward fiscal responsibility. There should be proactive measures in place to ensure these billions do not fall victim to programmatic failures and bureaucratic mishaps.

Some Inspectors General have already begun implementing proactive measures. I ask that you provide the Committee with a detailed description of your plan to do the same. If you have no plan to take preemptive action, I ask that you devise one and implement this plan before any money is allocated to any Department program.

Please submit the requested information and contact the Committee staff to schedule a briefing no later than February 26, 2009.

Thank you in advance for your prompt attention to this matter. Please do not hesitate to contact me at any time if you require any assistance or would like to discuss this request. You may also contact Minority Staff Director Larry Brady or Professional Staff Member Molly Boyd at 202-225-5074.